Utah Division of Finance

Newsletter for State Accounting & Budgeting Professionals
November 2018

FY 2018 Financial Highlights

As the Division of Finance nears completing the 2018 Comprehensive Annual Financial Report (CAFR), it released the preliminary financial figures for fiscal year 2018. This financial information is subject to change until the audit is finished.

The State ended the year with an $8 million unrestricted surplus in the General Fund, after $37.4 million in surplus was transferred statutorily to various general fund reserve accounts. In addition, the General Fund has $76.8 million of budgeted reserves for fiscal year 2019. The General Fund total net reserve available for fiscal year 2019 is $84.8 million.

In This Issue

The Education Fund ended the year with a $149.9 million unrestricted surplus after a statutory $64.6 million transfer to the Education Budget Reserve Account. In addition, there is $82.3 million in budgeted reserves for fiscal year 2019, for a total of $232.2 million in net reserves.

The table below summarizes financial highlights:

	Unrestricted Lapsed	Restricted Lapsed	Non-lapsing	Unrestricted Surplus
Agencies GF	$ 6.5 M	$122.6 M	$215.6 M	$ 8.0 M
Education Fund		$ .3 M	$115.5 M	$149.9 M
Transportation Fund	$ 71.4 M	$ 1.3 M	$ 9.5 M	

The State continues to enjoy triple/triple bond ratings, the best possible ratings:

- Fitch Ratings -- AAA
- Moody's Investors Service -- Aaa
- S&P Global Ratings -- AAA

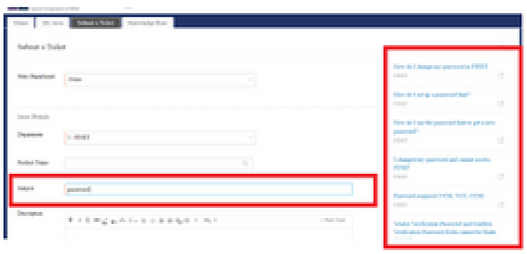
The Division of Finance thanks all state financial managers and accounting professionals for your diligence and effort during the budget closing process. For more information contact Assistant Comptroller Janica Gines, CPA.

NEW FINANCE SUPPORT PORTAL

Larry Simpson, Systems Training Coordinator for Financial information Systems, sat down with us to give us an overview of the new help desk portal.

Users can still reach the help desk by phone (801-538-9690), but now they have new options to get the help they need. Users can login at the new portal (https://financesupport.utah.gov/portal/home).

Chat – Users can click the chat Icon in the lower right corner of the screen and be connected to an agent. Larry pointed out that if an agent is not available to respond within 90 seconds, a ticket will automatically be created and submitted for you. “With chat, they don’t lose anything if an agent is not available right away, a ticket will still be submitted to address the issue.” That way, users won’t be stuck waiting.



Web – Users can submit a ticket directly from the web portal by selecting the “Submit a Ticket” tab and entering in their information. Larry demonstrated how the Knowledge Base will read the subject line and populate related documents in a column on the right. That can often lead a user to the information they need without needing to wait for their ticket to be answered. Larry said “it’s easier for us, but more importantly, it’s easier for users and saves them time.”

Email – Users can email a ticket to financesupport@utah.gov. Larry said that previously they had multiple email addresses that could service the request but which email address depended on the type of request. Now they have one email address and the routing to the appropriate specialist is handled on our side. Just like the web tickets, the subject lines are read and the system then routes the request to the right person.

Review Past Tickets - Another new feature is that a user can review their past tickets. Larry illustrated how this new feature can be a great tool for users. If there is a seldom used entry, such as a month-end transaction, that a user hasn’t mastered each of the steps, they can look up their previously submitted ticket and solution. Someone may not remember where the answer is in the knowledge base, or where the note is they scribbled the answer on, but they can always login and find it in their ticket history.

Offering More Solutions - According to Larry, one of the underutilized functions they provide is offering solutions to problems rather than just user issues. “We have a very robust system that many people don’t fully utilize.” He said that recently they have worked with the Department of Corrections to address needs for a manufacturing process. They have also been working with Education to get some specific information they need for some reports they were working on. He said people just need to ask. If it is something that they can’t do, they will let you know, but Larry feels they can offer many more solutions to people with what our software is able to provide.

Positive Responses So Far - There have been a lot of changes since July and it appears that users are responding positively. During September, phone calls accounted for less than half of the submitted tickets, with chat, web, and email submitted tickets representing a growing portion of those requests. According to the customer service surveys from the new portal, customer happiness has been high while they have been handling over a hundred tickets per week. Larry is excited about the new changes and believes that as we continue forward, the new portal will allow them to continue to help users find the solutions they need.

One of the areas that Larry sees this expanding into in the future is community forums and social media. When people have the option ask questions and to help each other, "we interact more and learn more together… [so] we all get better at using these tools."

Larry mentioned several times, that their emphasis is on the people needing help. This new portal saves everyone's time and puts many more resources into the hands of users.

Agencies are RESPONSIBLE for Their Internal Controls

By Internal Control Team

Agencies Must Review Their Internal Controls

Internal controls established within our State agencies may sometimes feel like red tape. Internal controls exist for the protection of the State's assets, and, more importantly they exist to protect the human assets, you and me, from making a bad decision that could cost us far more.

Complacency vs. Diligence - Management has the responsibility to review the performance of basic internal control procedures and make revisions to improve the controls if necessary. When they are regularly reviewed, it reduces the risk of employees circumventing internal controls, preserves the public trust, protects employees, and safeguards the assets of the agency.

When we become comfortable doing our tasks, how often do we review the actual steps we should be taking? Here are some examples of the type of things agencies should consider when reviewing internal controls over purchasing and payables.

- Do we utilize the purchasing flow chart or the invoice payment process when performing these activities?
- Do we use the decision tree to make sure our decisions are correct and comply with Purchasing Rules and policies when purchasing items with tax

payers dollars?

- Do we have a flow chart and/or narrative of our agency's payment process?
- Does our flow-chart and narrative take us from the signed and dated receiving document to the matching process with the invoice, and the input into FINET?
- Are tasks segregated so that no one person has control of the transaction from start to finish?

Regular review - We recommend that you review internal controls periodically, and when agencies experience turnover with employees involved in key control processes, such as cash receipting. Monthly, quarterly, or at least annually in staff meetings, consider reviewing at least one internal control with the entire team. Make sure there is a clear understanding of why the control exists, and how it also protects the employee.

If you see something, say something - Make sure the employees understand that if they see something, they should say something. Share with the employees the path to reporting concerns. Most issues can be dealt with through agency management channels or through agency internal auditors, if applicable. However, if the path for reporting a concern seems beset with roadblocks, the employees may contact the Office of the State Auditor, or the Division of Finance.

Let's help each other maintain good internal controls and protect each other from making bad decisions.

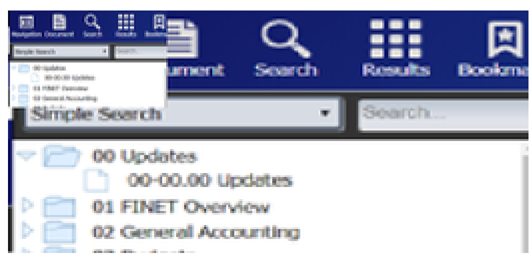
The Disbursements team receives many calls from vendors who are asking about the FINET warrants (paper checks) they receive. The most common questions are:

- What are the checks for?
- What agency they are from?

When we look up these checks in the data warehouse, the accounting line description is often vague or unhelpful in how to apply the check.

Please make sure the information in the accounting line in FINET will easily allow the recipient to identify the critical information to apply the payment. Note that only information placed in the first line of the description will make it on the check. Any information entered after you press the enter key will not appear on the check. Entering this critical information on the check will cut down on calls received by your agencies. The Disbursements team often has to route the call back to the agency so the caller can determine how to apply it.

Policies for Creating Agency-Specific Contracts (FIACCT 04-02.01) and Agency-Specific Contracts - Amendments (FIACCT 04-02.02) have been changed to exclude DAS - Finance from the approval process on contracts that require a State Purchasing signature.



Changes and updates happen from time to time. For other policy changes, be sure to check our website and visit the Policies & Procedures section. You will find a summary of the recent changes in the update section.

Mailing address: Utah Division of Finance, State Office Building, Suite 2110, 450 N State Street, Salt Lake City, UT, 84114, US